

Message Text

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63

ACTION EB-11

INFO OCT-01 ARA-16 IO-15 ISO-00 AGR-20 CEA-02 CIAE-00

DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-10 PA-03 RSC-01 AID-20 CIEP-02 SS-15 STR-08

TAR-02 TRSE-00 USIA-15 PRS-01 SPC-03 OMB-01 JUSE-00

DRC-01 /179 W

----- 016594

R 041900Z OCT 73

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 3832

INFO US MISSION GENEVA 279

AMEMBASSY BRASILIA

AMCONSUL RIO DE JANEIRO

USDOC WASHDC

UNCLAS BUENOS AIRES 7323

E.O. 11652: N/A

TAGS: ETRD, AR.

SUBJECT: ANTI-DUMPING DUTIES ON PRINTED VINYL
FILM FROM ARGENTINA.

REF: STATE 165826.

1. EMBASSY HAS RECEIVED NOTE FROM FOREIGN MINISTRY OBJECTING TO
USG IMPOSITION OF SPECIAL DUMPING DUTIES ON PRINTED
VINYL FROM ARGENTINA. TEXT OF NOTE AND TRANSLATION
BEING AIRPOUCHED.

2. MAIN SUBSTANTIVE POINTS OF NOTE ARE:

A. TREASURY FINDINGS OF SALES AT LESS THAN FAIR VALUE
FAILED TO CONSIDER REBATES ("REINTEGROS") GRANTED BY
GOA TO EXPORTS OF MANUFACTURED PRODUCTS AS ELEMENTS
AFFECTING PRICE.

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B. REASONS GIVEN BY TARIFF COMMISSION FOR FINDINGS ARE NOT BASED ON ACTUAL INJURY TO U.S. INDUSTRY BUT ON SUPPOSITIONS OF POSSIBLE INJURY IF PRESENT IMPORTS OF VINYL FILM INTO U.S. WERE INCREASED.

C. TARIFF COMMISSION DECISION DID NOT TAKE INTO ACCOUNT NORMS ACCEPTED BY USG IN INTERNATIONAL ORGANIZATIONS WHICH HAVE STUDIED THIS PROBLEM. NOTE SPECIFICALLY WHICH HAVE STUDIED THIS PROBLEM. NOTE SPECIFICALLY CITES GATT ARTICLE VI.6(A), AND "ANTI-DUMPING CODE".

D. TARIFF COMMISSION APPEARS NOT TO HAVE TAKEN INTO CONSIDERATION THE ELEMENT OF DAMAGE WHICH IS FUNDAMENTAL TO "ANTI-DUMPING" CODE" SINCE IT DOES NOT MENTION IMPORTANT DAMAGES, AND TC REPORT DOES NOT SHOW REAL THREAT OF DAMAGES BECAUSE OF SMALL PERCENTAGE OF ARGENTINE EXPORTS COMPARED TO TOTAL U.S. PRODUCTION.

E. "ANTI-DUMPING CODE" ESTABLISHES THAT A FINDING OF SIGNIFICANT DAMAGE SHOULD ALWAYS BE BASED ON FACTS AND NOT ON ALLEGATIONS OR HYPOTHETICAL POSSIBILITIES, AND THAT A FINDING OF THREAT OF DAMAGE SHOULD ALSO BE FOUNDED ON FACTS RATHER THAN ON ALLEGATIONS, CONJECTURES OR REMOTE POSSIBILITIES.

3. NOTE STATES THAT ARGENTINA CANNOT ACCEPT AS CAUSES FOR BARRIERS TO ITS EXPORTS ARGUMENTS BASED ON SUPPOSITIONS OF FUTURE DAMAGE, AND CANNOT ACCEPT THAT USG DECISION COULD NULLIFY THE ENTIRE GOA POLICY OF PROMOTION OF MANUFACTURED EXPORTS THRU "REBATES ("REEMBOLSOS") WHICH ARE ADOPTED AS GENERAL AND INDISCRIMINATE MEASURES." ADDS THAT GOA ALSO FINDS UNACCEPTABLE FACT THAT US AUTHORITIES CONSIDERED ARGENTINE AND BRAZILIAN EXPORTS TAKEN TOGETHER IN EVALUATING POSSIBLE DAMAGE.

4. EMBASSY IS CONSIDERING NOTE AND WILL AWAIT GUIDANCE FROM WASHINGTON. AS FAR AS WE CAN RECALL, THIS IS THE FIRST TIME FOREIGN MINISTRY HAS OFFICIALLY NOTIFIED US OF ITS POLICY OF GENERAL SUBSIDIES (ALWAYS REFERRED TO AS "REINTEGROS" OR "REEMBOLSOS") FOR MANUFACTURED PRODUCTS. WE ARE ENQUIRING IN OUR NOTE OF ACKNOWLEDGEMENT WHETHER

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THESE SUBSIDIES HAVE BEEN NOTIFIED TO GATT UNDER ARTICLE XVI. LODGE

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Message Attributes

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Draft Date: 04 OCT 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BUENOS AIRES
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1973/newtext/t19731051/aaaablus.tel
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30 JUN 2005

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Review Transfer Date:
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